



# News Release

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## **Fiscally Responsible SBA FY 2006 Budget Provides For Record Capital for Small Businesses**

### ***Proposal Includes Modest Increases for Technical Assistance Programs***

**WASHINGTON** - The U.S. Small Business Administration today announced a fiscal year 2006 budget request of \$593 million that provides a record \$22 billion in loan authority for the agency's flagship lending programs.

On the technical assistance side, the budget requests \$88 million for Small Business Development Centers, \$12 million for Women's Business Centers and \$5 million for SCORE, Counselors to America's Small Businesses.

"The SBA's fiscally responsible FY 2006 request is good for small businesses and good for the American taxpayer," said SBA Administrator Hector V. Barreto. "From a lending perspective, it builds on our successes in the past year, when we reached more small businesses, including more women and minority entrepreneurs. We also continue to strive to be efficient and innovative in our use of technology as we deliver financing, technical assistance, education and counseling and contracting programs to our clients."

As in FY 2005, the 7(a) loan guarantee program will be at a zero subsidy, meaning that the program is sustained entirely by modest fees paid by the lenders and borrowers, without requiring an appropriation of taxpayer funds.

Highlights of the proposed FY 2006 SBA budget include:

- \$16.5 billion in lending authority for the 7(a) loan guarantee program;
- \$5.5 billion in lending authority for the 504 Certified Development Company program with a zero subsidy;
- \$3 billion program level for the SBIC debenture program with a zero subsidy;
- \$810 million in lending authority for the Disaster Loan Program;
- \$1.3 million for the Office of Advocacy research;
- \$750,000 for the National Women's Business Council;
- \$750,000 for Veteran's Outreach;
- \$1 million for the Drug Free Workplace Program.

“We look forward to working with our Congressional partners as the budget process moves forward to make sure the SBA continues to be America’s small business resource,” added Administrator Barreto.

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